

Statement on House of Representatives Passage of Bankruptcy Reform Legislation

April 14, 2005

I commend the House for acting in bipartisan fashion to curb abuses of the bankruptcy system. These commonsense reforms will make the system stronger and better

so that more Americans—especially lower income Americans—have greater access to credit. I look forward to signing the bill into law.

Remarks in a Discussion on Strengthening Social Security in Kirtland, Ohio

April 15, 2005

The President. Thank you all for coming. Please be seated. I appreciate you coming, Steve, thanks. Glad to give you a ride home on Air Force One. [Laughter] I really do like working with Steve. He's a thoughtful fellow who cares about issues, and this is—what we're here to talk about is an important issue, which is Social Security.

Before I do, I want to thank the community college for hosting us. I'm a big believer in community colleges. Community colleges have got the capacity to change curriculum to meet the needs of a local workforce, for example. And one of the real challenges of the 21st century is to make sure people have got the skills necessary to fill the jobs of the 21st century. And a fabulous place to find those skills is our community colleges.

So thanks for what you do. Thanks for being a host. Thanks for letting us come and have a—what I think you'll find to be a really interesting educational experience about a vital issue confronting the country.

I want to thank Lieutenant Governor Bruce Johnson for joining us today. I appreciate State Treasurer Jennette Bradley for joining us today.

I want to thank the mayor, Ed Podojil, who is here. I appreciate you, Mr. Mayor. And I want to thank Dave Anderson. The last time I saw Dave, I said to Dave, I

said, "Dave, fill the potholes." [Laughter] That's just a piece of advice. [Laughter] And so I saw him in line coming in. He said, "I'm just here to report for duty, Mr. President. I did fill the potholes." [Laughter] You'd get reelected if you want to run again. [Laughter]

Anyway, I want to thank Anita Isom, who's with us. Anita is a young lady I met when we landed there at the airport in Cleveland. She is a volunteer, and she has helped and been awarded because of her reading-related activities that benefit others. The reason I like to mention a soul like Anita is that, no matter what your age, no matter where you live, you can help this country by becoming a volunteer, by helping somebody who hurts, by teaching somebody to read, or feed somebody who's hungry, or put your arm around somebody who needs love.

I like to remind people that the greatest strength of this country is the heart and souls of our fellow citizens and the great compassion of our people. And so if you're interested in serving America, do so by becoming a volunteer in the community in which you live and help change this country one heart and one soul at a time.

So, Anita, thanks for coming. Thanks for meeting me at the airport.

Let me talk about Social Security. I could be talking about a lot of things, peace

and freedom. The world is changing right now because societies are becoming more free. And as societies become more free, more democratic, the world will become more peaceful.

Today I went to a little restaurant, and the owner happens to be Lebanese American. And he said, "Thank you, Mr. President, for staying focused on a country like Lebanon and insisting that Lebanon be allowed to have free elections." And I assured him, like I'll assure you, that when America speaks, we mean what we say. When we say "free elections" to the Syrians, we mean free elections. Get out of Lebanon, and let this good country have a free election as scheduled. When I say, "Get out of Lebanon," I mean out of Lebanon with all your troops and all your security services and all the people trying to influence that Government. It is in the world's interest that Lebanon be allowed to have free elections because a free society will help spread the peace.

We're dealing with a lot of issues, and in Washington, DC, I've submitted a tough budget and expect the Congress to be wise about how they spend your money. I also know that Congress needs to stop debating and get an energy bill to my desk now, during this session.

Congress also needs to take serious this issue about Social Security. People say, "Why did you bring it up?" I said, "I brought it up because I see a serious problem that needs to be fixed now, before it's too late. I also brought it up because the job of a President is to confront problems and not pass them on." The easy route in politics is to say, "Well, we got us a problem. We'll just let the next person handle it." The easy route for a Member of the United States Senate is to say, "There is a problem, but it perhaps can wait. We'll just let another United States Senate fix it or send it to the House." That's not the way I think. I think I got elected because people expect me, when

I see a problem, to bring it to the fore and to work with people to get it solved.

And here's the problem in Social Security. There's a lot of people like me getting ready to retire. [*Laughter*] As a matter of fact, I'm retiring in 4 years—at least I hit retirement age in 4 years, which is convenient—[*laughter*—]in my case. I turn 62 in 2008. And I'm not the only one turning 62 in 2008. As a matter of fact, there's a lot of us. We're called the baby boomer generation. And not only is my generation fixing to retire, we are living longer than previous generations. And not only are we living longer than previous generations, we have been promised greater benefits than the previous generation. In other words, people running for office say, "Put me in office, and I'll increase your Social Security benefits for you." And guess what? They did.

And so a lot of us are getting ready to retire, and the problem comes because there's not a lot of people paying into the system. See, in 1950, there were 16 workers for every beneficiary. So you can imagine the load was somewhat lighter than today, when there's now 3.3 workers for every beneficiary. And soon there's going to be two workers for every beneficiary. You've got fewer workers paying into a system that is going to require more and more out-flow, because a lot of us are retiring, living longer, and been promised greater benefits. And the math just doesn't work.

It's a pay-as-you-go system, by the way. That means, when the money goes in, it comes right out. It's not a trust. I mean, some people in America, I suspect, think that the Federal Government all these years has been collecting your payroll taxes and we're holding it for you, and then when you get ready to retire, we give it back to you. That's not the way it works. The way it works is, is that we collect your payroll taxes and we pay the current retirees their benefits, and then with leftover money, we spend it on other things. That's

the way the system works. It's pay-as-you-go.

And in 2017, the pay-as-you-go system is going to go negative. In other words, more money goes out than comes in through payroll taxes. And every year thereafter, if we don't do something, it gets worse and worse and worse and worse. To give you an example of how bad it gets, in 2027 the Federal Government is going to have to come up with \$200 billion more a year just to make good on the payments, and it gets worse the next year and the next year and the next year.

I also want to assure those of you who are on Social Security, you will get your check. See, nothing changes for somebody born prior to 1950. And that's very important for people in Ohio to hear, because I fully understand a lot of people count on that Social Security check. That Social Security check means a lot to a lot of people in America, and they're counting on it. That's why, for example, in some political campaigns people try to say to seniors, "You know, if so-and-so gets into office, he's going to take your check away from you." That's the old scare tactics. Sometimes during this debate it seems like people are resorting to those scare tactics. They're telling seniors, "Really what they're talking about is taking your check away." Let me just tell you point-blank, if you're receiving a Social Security check in Ohio, this Government of ours will continue to honor you, honor that commitment.

This issue isn't about you. This issue is about your grandchildren. The issue confronting the Social Security system is an issue for young workers, young people coming up. One time I was having a discussion, and the person said, "I saw a survey." I said, "Oh, yeah, what did it say?" "It said young workers like me are more likely to see—think we're more likely to see a UFO than get a Social Security check." [*Laughter*] That may be pretty close to accurate.

I'll tell you this, if this Federal Government doesn't act, your bill, your payroll

taxes are going to have to go up a lot in order to pay the promises made to me, or the Government is going to have to slash the benefits, or the Government is going to have to make dramatic cuts in other programs. And so I see a problem. I think the math is clear. And so now is the time to get something done.

And so I stood up in front of the United States at my State of the Union Address and said to the Congress, "Here's the problem. And I'm going to put some ideas on the table," ideas that I didn't necessarily think of; ideas that President Clinton had thought of or Senator Moynihan, a great Member of the United States Senate from New York who, unfortunately, has passed away, or former Congressman Tim Penny—good ideas about different ways to permanently fix the problem. And that's what Congress must do. It must permanently fix the problem.

In 1983, one of my predecessors, President Ronald Reagan, got together with Speaker O'Neill from Massachusetts, and they said, "We got a problem. Let's fix it." See, the math wasn't working then, either. It was called a 75-year fix. They signed a bill—I love the spirit, by the way, of Republicans and Democrats setting aside their political parties and focusing on getting something done for the American people. And the President did that; the Speaker did that for the 75-year fix. The only problem is, 22 years later we're still talking about it. And so now is the time to bring people together from both parties to have a permanent fix, and all ideas are on the table. And I'm looking forward to discussing any good idea with a Democrat or a Republican.

I imagine there's some people fearful in Washington, DC, about maybe laying out an interesting idea and that one of the political parties will get all over them for laying it out. If I had anything to do with it, it would be political amnesty for people bringing good ideas forward. Now is not the time to play political "gotcha" with a

member of any political party for stepping up and bringing forth ideas to do what they think is right to help solve this problem permanently for generations of Americans to come.

Now, one of the ideas that I think is important for the Congress to consider is to allow a younger worker to be able to set aside some of her or his own money in a personal savings account, as a part of a Social Security solution. See, I think Government ought to say, "We'll give you an opportunity, if you want to—your choice." We're not saying, "You must set aside money." We're saying, "You ought to have the opportunity to. It ought to be voluntary to set aside some money so that you can earn a better rate of return on your money." People ought to be given a chance to invest in a conservative mix of bonds and stocks.

In other words, it's part of a permanent solution in order to make sure the younger worker gets a better deal. The younger worker ought to be allowed to set aside some of the payroll taxes. And this is a concept, by the way, that has been tried before. I haven't invented the idea. As a matter of fact, the Federal—Congress before has said we ought to allow people working in the United States Congress and Congressmen and United States Senators to do just what I described. The Federal employee Thrift Savings Plan allows Members of Congress and the United States Senate to take some of their money and set it aside in a personal savings account. Why? Because they know they'll get a better rate of return on their money than if the Federal Government held it. And it seems fair to me that if setting aside money in a personal savings account is good enough for a Member of the United States Congress, it's good enough for workers all across America.

Okay, so I went to school with a guy who made all A's. It's probably recognized by now I didn't do all that well in college at times—[laughter]—and I brought him

with me. He's an expert. He's my National Economic Adviser. But I want you to notice, you students out there, who's the President and who's the adviser. [Laughter]

I've got a fabulous staff. People need to judge the President based upon who he listens to. And as you know in foreign policy matters, I listen to some really capable people, Condi—Condoleezza Rice, the Secretary of State; Secretary Rumsfeld. And on the domestic side, I've got great people working with me. One of them is Al Hubbard, a business guy out of Indiana, started businesses, ran businesses, entrepreneurial. He's agreed to come and serve as the National Economic Adviser to the President. He briefs me on a regular basis. And one of the big issues that I've got him working on is Social Security.

I want to thank you for coming, Al. And if you got something to say, now is your opportunity. [Laughter] Please don't try to defend yourself because the President always has the last word. [Laughter]

Allan B. Hubbard. Yes, sir, I've learned that very quickly. Thanks for giving me this opportunity.

[At this point, Mr. Hubbard made brief remarks.]

The President. You're the guy who authored the bill?

Raymond Sines. I had the first bill in 1994.

The President. Really.

Mr. Sines. Introduced it.

The President. If you got any spare time, you might want to come up to Washington and work the issue with me. [Laughter]

Mr. Sines. Well, Mr. President, I really like Lake County. [Laughter]

[Mr. Sines, commissioner, Lake County, OH, made further remarks, concluding as follows.]

Mr. Sines. I have three daughters, and kind of in the same mode as you, we're in a special club when you raise daughters.

The President. Yes. Your hair is about as white as mine. [Laughter]

Mr. Sines. Yes, it is, and it's getting whiter—and it's getting whiter.

[*Mr. Sines made further remarks.*]

The President. It must make you feel good to be able to sit here in front of all these TV cameras and say, "I saw a problem. I worked with people from both sides of the aisle to fix it, and it's working." That's the spirit the people in the United States Congress must hear. It's not time to play politics. It's time to fix the problem. It's time to set aside all this business about, my party may look good, or so-and-so may look good, and so-and-so may look bad. We've really got an opportunity, a need to fix it.

And secondly, I am—I just want you to know that like you went through, there were some moments as to whether or not you thought the thing would pass. Yes, well, you know something, I'm going to be relentless on the subject because I believe the American people, once they understand there's a problem, once they understand the math, and once seniors understand that nothing is going to change, the next question to Members who have been elected is, "Why aren't you doing something about it?" See, if there's a problem—you saw the problem—and people begin to recognize the nature of the problem and the size of the problem and the cost of inactivity, and senior citizens understand that the propaganda they may have heard about somebody taking away their check simply isn't true, the next logical extension of the debate and the discussion is, "Say, if we got a problem and I'm going to get my check, what are you going to do about my grandkids?" It's a generational issue.

And we're just starting. So don't worry about me, Ray. I'm feeling pretty good about where we stand. The American people are wise. They just need to know the facts.

Part of the facts is understanding we have a problem, and part of the facts is what you're going to do about it. And today, this is an interesting opportunity for people to see a system that is—I bet most people in America don't understand what happens here in Ohio when it comes to the retirement system. And so thank you for being an innovator, and thank you for being a leader.

Now, who's next, Hubs?

Mr. Hubbard. Mr. Scott Johnson, who is very involved with the Ohio Public Employees Retirement System. And he can describe this new innovation that Ray provided through the legislature.

The President. Good. Tell us what you do.

Scott Johnson. Thank you, Mr. President. I'm Scott Johnson. I'm Governor Taft's director of administrative services. That's a central services organization similar to your General Services Administration, only adding human resources and personnel.

[*Mr. Johnson made further remarks.*]

The President. By the way, I went to West Virginia the other day and saw the asset base of the so-called Social Security trust. You know what? It was about four or five file cabinets full of paper. [Laughter] It was the IOU left behind from one hand of Government to the other hand of Government.

Mr. Johnson. We've been operating that since 1935, but of course, society has changed a bit over that period of time.

[*Mr. Johnson made further remarks.*]

The President. Sorry to interrupt you. Presidents do that sometimes. [Laughter] Portability—so if somebody is listening, and they're not exactly sure what that means and why that would be important to them—

Mr. Johnson. University professors typically move around—

The President. Right.

Mr. Johnson. —and in mid-career may move from one university to another. And so they've already gotten some sort of retirement system underway and would like to move that from where they are to where they're going.

The President. If they change jobs, they could take their retirement account with them.

Mr. Johnson. Exactly.

The President. Yes. That's important for people to know. That's a concept that's an important part of any good plan, would be to recognize the needs of the person that is receiving a part of their retirement. They can move.

Go ahead.

[*Mr. Johnson made further remarks.*]

The President. I think that's a reasonable concept. Don't you, folks? Government says to the people, "You have a choice to make," you know?

Mr. Johnson. So what you, therefore, have with that combined program is a system where the portion that the employer, the State or the county or the city, contributes is administered by the professionals at the system. And the amount that the employee himself or herself contributes could be managed by that employee.

[*Mr. Johnson made further remarks.*]

The President. Yes, I guess you can't take the money and put it in the lottery—

Mr. Johnson. Well, even though we run a lottery—

The President. —or on the trotting jockey—trotters or whatever it is next door here.

Mr. Johnson. No, sir, you can't do that.

The President. The point is that there is a relatively conservative or conservative mix of what's available for people to invest in. Is that an accurate assessment of the choices people have to make?

Mr. Johnson. The choices are all responsible ones, Mr. President.

The President. I don't know about the lottery being irresponsible—[*laughter*].

Mr. Johnson. But there is a great deal of variety and individual ability to be aggressive or not so aggressive as one chooses.

The President. That's right. See, it's an interesting concept that the people of Ohio have put in place. And the government basically said, "Hey, why don't we trust people? After all, it's their own money. Why don't we give them a chance to"—but you just can't go—there is a certain set of parameters, I presume, Scott, that—just like there is for the Federal employees, by the way. In other words, "Here's some options for you."

Some people think about whether or not people ought to be allowed to invest. They call it risky. I don't think it's risky to let people earn a better rate of return on their money, but obviously there's some parameters. There's some go-bys. And as you said, I think there's eight different options—nine different options.

Mr. Johnson. Nine, yes.

The President. In other words, the Government says—the Government does play a role and says, "Here's nine different opportunities for you to have a mix of stocks and bonds." Or it can go totally bonds, totally stocks, or is it generally a mixture? How does it—

Mr. Johnson. Mr. President, there are layers of choices you can make. You could, if you wish, choose one of three pre-mixed options.

The President. Got it.

Mr. Johnson. One would be conservative, one less conservative, and one, frankly, aggressive. Or you could, if you wish, develop your own asset mixture. You could have some bonds. You could have some equities. You could have TIPS. Conceivably, you could invest it all in bonds.

The President. Yes.

Mr. Johnson. You could do that if you wish to do so.

The President. Okay. You got any average rate of return on these programs? Or is that impossible to do?

Mr. Johnson. It's not impossible to do, but it's beyond my level of expertise. [Laughter]

The President. Okay. Well, I was talking with Senator McCain, who told me that he thought his rate of return, I think, was over 7 percent in his employee retirement Thrift Savings Plan, over time. In other words, a conservative mix of stocks and bonds that the Government—Federal Government allows Federal employees to make, a rate of return over 7 percent. You see, if you're keeping your money in the Social Security system, it's about 1.8 percent. And the difference for a younger worker between 7 percent and 1.8 percent over time is a lot of money, because interest compounds. It grows. Money grows over time.

And I think that's one of the reasons why employees said, "If it's good enough for professors, why don't you let me have a taste of this too? Why don't you give me a chance to watch my money grow and let me control it, and let me own it?"

So, I appreciate you bringing that forward, Scott. Thank you.

Mr. Johnson. Yes, sir.

The President. Very good job.

Betty Young, welcome. What do you do, Betty?

Betty Young. Thank you, Mr. President, and it's an honor and a pleasure to be here. I'm the executive director of human resource services for the University of Cincinnati.

[*Ms. Young made further remarks.*]

The President. First, you notice that Betty talked about 401(k)s and IRAs. I don't remember 401(k)s when I was growing up. In other words, there is a new culture in America when it comes to people managing their own assets; 401(k)s encourage management of your own assets—IRAs. In other words, more and more people in

America are now becoming used to controlling their—managing their own money.

I presume you find a certain reticence initially, when—that says, "I'm not so sure I can do this."

Ms. Young. But you don't have to be a Wall Street wiz.

The President. Right.

Ms. Young. For example, the university requires that the different providers that offer these programs, that they provide educational materials.

[*Ms. Young made further remarks.*]

The President. That's good. You know, interesting thing that Betty talked about was encouraging people to open up a quarterly statement, or if you so choose, you can look at your wealth on a daily basis. I think that's an interesting concept. It seems like to me we'd like all of America doing that, watching their assets grow, not just Wall Street wizzes but everybody. I mean, if more people owned something—I like the idea of having a program in Ohio where it encourages ownership—not just one type of person but all people have got access to ownership.

It seems like to me a more hopeful America is going to be one in which people say, "I'm watching my assets grow, and I'm more"—let me just say, politicians will be—their actions will be a lot more scrutinized when somebody is watching whether or not the decisions made in Washington is affecting their work on a daily or quarterly basis. In other words, the more people paying attention to their assets, the more people will be paying attention to what happens in Washington, DC, or in Columbus, Ohio.

So thanks for bringing that to my mind. Let me ask you this: Obviously, there's a certain role for the State, and that is the State has chosen the providers—is that right, screened and chosen the providers?

Ms. Young. Yes. The Ohio Department of Insurance screens and chooses the providers that participate in the Ohio Alternative Retirement Program.

The President. So the charge that somehow a fly-by-night is going to get a hold of somebody's retirement account and fritter it away is just frivolous.

Ms. Young. Correct, because if there's ever a problem, for example, with one of the providers, then as the person that manages the program at the University of Cincinnati, then I can contact the Department of Insurance or go directly to that company about any issues that we may have.

The President. One of the other things that Betty talked about was mixing risk. And people need to understand that you can constantly change the risk of your asset base, that, for example, if you're 20 years old, you can take a little more risk. And when it comes time for fixing to retire, you switch from, perhaps, stocks—mix of stocks and bonds to a greater mix of bonds to stocks, so that you're able to decide for yourself what kind of asset base you have relative to where you are in the retirement—how close you are to retirement age. And I presume people are doing that, constantly switching in and out all the time to manage their assets.

[*Ms. Young made further remarks, concluding as follows.*]

Ms. Young. So I have my funds in a portion that is guaranteed 6 percent. That won't change during the life of the account.

The President. About 6 percent—it's a lot better than 1.8 percent in the Social Security system. And the difference between the 6 percent and the 1.8 percent over Betty's lifetime is a significant amount of money. And that's important for people to understand. What we're trying to do is to learn lessons from a State like Ohio, apply it at the Federal level, so workers get a better deal. And part of a better deal is a better rate of return. And part of a better deal, by the way, is saying, "I own it."

You listen to Betty's language. She's talking about her assets. She's not relying upon the Government. She says, "These are my

assets, and I own these assets." And that's important. The more people own an asset, and the more people are able to say, "I'm going to pass it on to my son or daughter, whoever I choose," the better off America is, you see, being able to spread wealth.

Thank you, Betty. Good job.

Let me say one thing about the Social Security system before we get to Rick. Do you realize the system today is structured so that if you die early and you leave behind a spouse—say, you started working and contributing to the system at age 21, and you died at 51, 30 years of work, and you leave behind a spouse, and the spouse works—like many families in America, there's two spouses working—that the—and the spouse is the same age as the husband or wife, there are no death benefits if you're younger than 62 years old. And secondly, when the surviving spouse retires, he or she will get to choose between the survivor benefits or the contributions that he or she has made—is owed by the Government, whichever is greater, but not both.

Now, think about that. That's a system in which the person who's worked for 30 years, put in the money, and it's just gone. I don't think that makes sense for a good retirement system. The system here in Ohio essentially says that, if the principle were applied to the Federal Government, you have an asset. It grows. You watch it. You manage it, and if you pass away, you can leave it to your spouse to help that person transition, then help that person live life. It's an asset. This asset doesn't exist in a file cabinet in West Virginia. It's yours. It's an asset that you call your own, that can help you.

Now, when people retire here, I presume you can't spend all your asset base at once.

Ms. Young. You could take a withdrawal on a lump-sum basis, but normally, again, your ARP provider is going to work with you to design how you should now start drawing down on your money to ensure

a level of income throughout your remaining lifetime.

The President. That's what the—that's the vision at the Federal level for a personal account, is that there will be a draw-down to help complement the check, however big it's going to be, from the Federal Government. All I'm telling you is, we made promises to younger workers we can't keep. In other words, we've said, "We can pay you." We can't. Do you realize that in order to make sure that the payments that we promised to retirees are kept, that a younger worker may have to pay upwards of an 18-percent payroll tax? Try that on if you're a small-business owner. Try that on if you're struggling to get ahead. We need to fix it now, and one way to—a part of making sure the retirement system works well is to listen to the example right here in the State of Ohio.

Rick, ready to roll?

Richard Stenger. I certainly am.

The President. Okay. What do you do?

Mr. Stenger. I'm currently one of the directors of the Lake Metroparks system. We want to welcome you back to Lake County. The last time you were here—

The President. Yes, I know—[inaudible]. Thank you.

Mr. Stenger. You and 20,000 friends came and had a good day. [Laughter]

The President. I hope LaTourette stayed behind to clean up. [Laughter]

Mr. Stenger. Steve got busy. He was there, but he was watching us. [Laughter]

The President. Okay. He was an executive. [Laughter]

[*Mr. Stenger made further remarks.*]

The President. How did your money do in the Social Security system?

Mr. Stenger. Yes, 1.8, I think, right?

The President. Yes. You take a 6-percent differential, or 5.2-percent differential over a number of years, and you're going to see some serious money. And it ought to grow. The Government ought to give opportunities to our fellow citizens to have

their money grow in a conservative mix of stocks and bonds, just like they did. It seems to make sense to me.

Mr. Stenger. Mr. President, one of the things that I found very helpful and interesting is the system does a good job of educating, because you come in and you're not sure what to do, and many people are afraid of change. They had a battery of questions you could answer, I think 20-some questions, and it sort of guided you as to where you fit on the investment scale. If you answered the questions, it would give you a score, and the score sort of categorized you into, you're okay to aggressively do it, conservatively do it, moderately do it. So people who are afraid of it don't know—you answer this battery of questions, and it gives you a pretty neat answer.

The President. Yes. See, that's an interesting point. I think some people are fearful of the obligation, I guess, if that's what it—of investing their own money. They're not exactly sure what the words mean. It's kind of an interesting assumption here in America, the investor class is only a certain type of person. I don't buy into that. I think all people are capable of learning what investment means. People from all walks of life, all neighborhoods have got the capacity to manage their own money. And you say the system helps people learn the words and learn what all this means. I mean, it's kind of fancy—rate of return, bonds and stocks.

Mr. Stenger. And the nice thing about it too, as Betty mentioned earlier, you can change. If you realize, "Well, I went real aggressive," and your lifestyle changes for whatever reason and you want to change, you can get online—you can do it daily if you so desire—you can take your quarterly statement, analyze it, make changes appropriately if you so desire. It's not like you're stuck with the choice you made.

The President. How do you make sure, like, these firms don't gouge you when it comes to fees? They've got a captive audience. They've got you pretty well roped

in once you make the decision. How does Ohio make sure that these fees aren't going up, that they're reasonable?

Mr. Stenger. The fees are defined—Scott would know more than I do, but if I read right, the fees are defined, depending on the plan you chose. I think the plan I chose, they're about .24, if I'm not mistaken.

The President. .24—sounds reasonable.

[*Mr. Hubbard made further remarks.*]

The President. I appreciate that. What else you got, Ricky?

[*Mr. Stenger made further remarks.*]

The President. Well, I appreciate that. Listen, thanks for sharing this with us.

I got on the airplane; I started paying attention to what I was going to hear today; and I was amazed at the willingness of the great State of Ohio to think differently on behalf of the people who live here. And it struck me about how relevant this conversation was going to be, for others to listen to what is possible for Social Security.

Now, look, we need to come together in Washington, and we need to work on a permanent fix. All options are on the table. But part of that solution, in order to make it a better deal for younger workers, is for people of both parties to trust people with their own money, to devise a system that would work similar to the State of Ohio, that would say, "We're going to let you earn a better rate of return for your money," that would enable a mom or a dad to pass on their assets to whom-ever they chose, that would encourage portability, but that makes sense. It makes sense. The more somebody owns something in America, the more they're going to have a vital stake in the future of this country.

The State of Ohio has incorporated a lot of really important principles in this bill, Ray, and I want to thank you for that. One of the key principles is, Government has got to trust people. The more Government trusts people, trusts people with their own money, the more content, the more prosperous our society will be.

And so I want to thank you all for sharing with us. I hope you found it as educational as I have. I look forward to continuing to take this message to the people of the United States of America. I have great faith in the wisdom of the people of this country, and I fully understand that when the people of this country understand the depth of the problem that a young generation of Americans is going to face, and when senior citizens understand that they're going to get their check, the question is going to start to be to Members of Congress of both political parties, "How come you're not fixing it," because America is going to realize that every year we wait it's going to cost the young generation of Americans \$600 billion to make this right.

And here's a fascinating idea, started right here in the great State of Ohio, sponsored by both Republicans and Democrats, that's working. And Congress needs to pay attention to things that work.

Thank you all for coming, and God bless.

NOTE: The President spoke at 1:03 p.m. at Lakeland Community College. In his remarks, he referred to Representative Steven C. LaTourette of Ohio, who introduced the President; Mayor Edward J. Podojil of Kirtland, OH; and Mayor David E. Anderson of Willoughby, OH. Discussion participant Scott Johnson referred to Gov. Bob Taft of Ohio.

The President's Radio Address *April 16, 2005*

Good morning. American families and small businesses across the country are feeling the pinch from rising gas prices. If you're trying to meet a family budget or a payroll, even a small change at the pump can have a big impact.

America's prosperity depends on reliable, affordable, and secure sources of energy. And today, our energy needs are growing faster than our domestic sources are able to provide. Demand for electricity has grown more than 17 percent in the past decade while our transmission ability lags behind. And we continue to import more than one-half of our domestic oil supply.

In the coming days and weeks, I'll talk more about what we need to do in Washington to make sure America has an energy policy that reflects the demands of a new century. The first order of business is for Congress to pass an energy bill. Next week Congress begins debate on energy legislation, and they need to send me a bill that meets four important objectives.

First, the energy bill must encourage the use of technology to improve conservation. We must find smarter ways to meet our energy needs, and we must encourage Americans to make better choices about energy consumption. We must also continue to invest in research, so we will develop the technologies that would allow us to conserve more and be better stewards of the environment.

Second, the energy bill must encourage more production at home in environmentally sensitive ways. Over the past 3 years, America's energy consumption has increased by about 4 percent, while our domestic energy production has decreased by about 1 percent. That means more of our energy is coming from abroad. To meet our energy needs and strengthen our national security, we must make America less dependent on foreign sources of energy.

Third, the energy bill must diversify our energy supply by developing alternative sources of energy like ethanol or biodiesel. We need to promote safe, clean nuclear power. And to create more energy choices, Congress should provide tax credits for renewable power sources such as wind, solar, and landfill gas. We must also continue our clean-coal technology projects so that we can use the plentiful source of coal in an environmentally friendly way. The bill must also support pollution-free cars and trucks, powered by hydrogen fuel cells instead of gasoline.

Finally, the energy bill must help us find better, more reliable ways to deliver energy to consumers. In some parts of the country, our transmission lines and pipelines are decades older than the homes and businesses they supply. Many of them are increasingly vulnerable to events that can interrupt and shut down power in entire regions of the country. We must modernize our infrastructure to make America's energy more secure and reliable.

Every source of power that we use today started with the power of human invention, and those sources have served us well for decades. Now it's time to apply our knowledge and technology to keep the American Dream alive in this new century. There is nothing America cannot achieve when we put our mind to it. And I urge Congress to work out its differences and pass an energy bill that will help make America safer and more prosperous for the years to come.

Thank you for listening.

NOTE: The address was recorded at 8:45 a.m. on April 15 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on April 16. The transcript was made available by the Office of the Press Secretary on April 15 but was embargoed for release until the broadcast. The Office of the Press Secretary